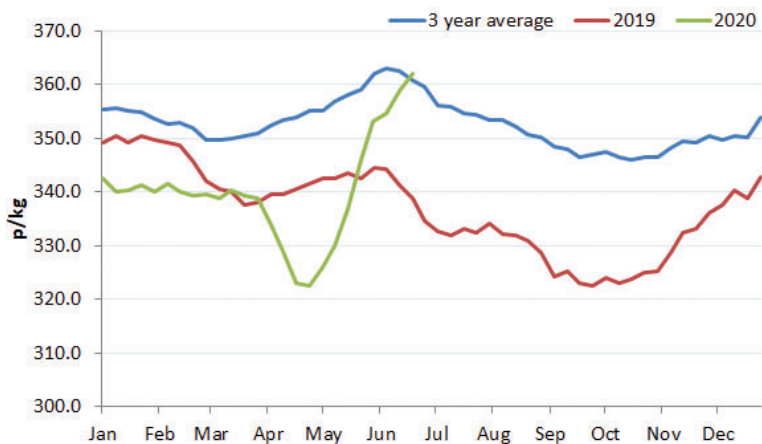


DEADWEIGHT CATTLE PRICES CONTINUE TO INCREASE

With a strong decline in prime cattle availability for slaughter deadweight cattle prices in Northern Ireland have been on an upward trajectory since the middle of May this year. Towards the end of this week base quotes from the major processing plants reached a top of 360p/kg for in spec U-3 grading steers and heifers.

The continuing improvement in base quotes in recent weeks has been reflected in the price reporting figures. The average R3 steer price in NI last week was 362.1p/kg and this is the seventh consecutive week in which prices have increased in Northern Ireland. During this seven week period the R3 steer price has increased by 36.2p/kg which is the equivalent of £127 on a 350kg carcasse.

Figure 1: Weekly R3 steer prices in Northern Ireland during 2020 to date vs 2019 and the rolling three year average. Source: LMC Price Reporting



The deadweight trade for prime cattle in Northern Ireland is now well ahead of the same time last year when the R3 steer price in the region was 338.8p/kg. However it should be noted that 2019 was a relatively poor year for beef prices and this recent improvement in prices has just taken prices to just above the three year average as outlined in **Figure 1**.

The strong uplift in the trade has been driven by the tighter supplies of prime cattle for processing. During the seven weeks ending 21 June 2020 there were 40,858 prime cattle processed in local plants compared to 46,683 prime cattle during the corresponding period in 2019. This decline in throughput by 5,825 head represents a 12.5 per cent decline year on year.

During the seven weeks ending 21 June 2020 prime cattle throughput in Northern Ireland was back 12.5 per cent and the R3 steer price increased by 36.2p/kg to 362.1p/kg

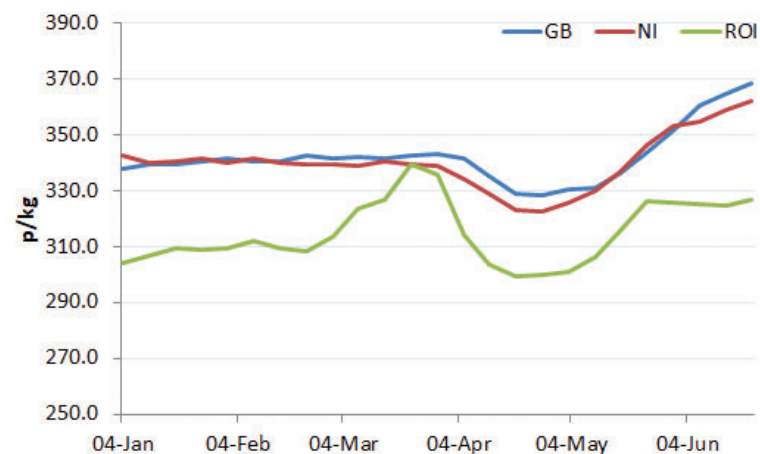
Great Britain

There has also been a strong uplift in the deadweight cattle trade in Great Britain due to a tightening in supplies of cattle for slaughter with an average R3 steer price last week of 368.1p/kg. This is the eighth consecutive week in which deadweight cattle prices in the region have increased and brings the R3 price to its highest recorded level since November 2018.

R3 steer prices in Great Britain had been trending very close to reported prices in Northern Ireland during much of May this year but as we moved into June a slight price differential has developed. Last week the R3 steer price in Great Britain was 6p/kg ahead of the equivalent price in Northern Ireland. This accounts for a differential of £21 on a 350kg carcasse.

Tighter cattle supplies in Great Britain have also contributed to the improvement in the deadweight trade in recent weeks. The latest available slaughter figures show that during May 2020 132,378 prime cattle were processed in Great Britain, back

Figure 2: Weekly R3 steer prices in Northern Ireland, Great Britain and the Republic of Ireland during 2020 to date Source: LMC, DAFM, AHDB



13,459 head or 9 per cent from May 2019 levels.

Republic of Ireland

While deadweight cattle prices in Northern Ireland and Great Britain have been strongly increasing since early May this has not been the case in Ireland. While prices recorded some recovery in the first few weeks of May they have since flat lined in sterling terms as outlined in **Figure 2** above. This has created a significant widening in the price differential between prices in Northern Ireland and Great Britain and their closest neighbour.

Last week the R3 steer price in Ireland was the equivalent of 326.5p/kg. This was 35.6p/kg behind the equivalent

price in Northern Ireland. On a 350kg steer carcasse this accounts for a differential in monetary terms of £125.

There was also been a notable decline in prime cattle throughput in Ireland during the May and early June 2020 although there has been a strong increase in throughput during the last few weeks which has regained some of the losses in production.

During the seven weeks ending 21 June 2020 161,631 prime cattle were processed in Ireland, back from 170,501 head in the same period in 2019. This decline by 8,870 head represents a 5.2 per cent decline in throughput year on year.

LAMB THROUGHPUT INCREASES STRONGLY IN LOCAL PLANTS

Last week 10,515 lambs were processed in local plants which is the highest weekly throughput recorded during 2020 to date. Strong supplies of lamb have continued to come onto the market in recent weeks due the favourable production conditions on many farms.

During the last six weeks plants in Northern Ireland have processed 51,355 lambs compared to 45,014 lambs during the same six week period in 2019. This represents a 14 per cent increase in throughput year on year.

There has also been an increase in the number of lambs exported to Irish processing plants for direct slaughter. During the six week period ending 21 June 2020 a total of 28,594 lambs were exported, up from 21,438 head in the same period last year.

Lamb throughput in Northern Ireland during the six weeks ending 21 June 2020 was 14 per cent higher than the same period in 2019

The average carcase weight of lambs processed in Northern Ireland during the last six weeks was 21.1kg, a notable decline from 22.4kg in the same period last year. With local plants paying to a maximum of 21kg it makes economic sense for producers to kill lambs as close to 21kg as possible.

Processors are keen to source lambs that meet the specification of both the retail and export markets. Lambs should ideally produce carcasses U and

R grading, carcasses that weigh 18-21kg, have a fat class two or three and be Farm Quality Assured.

Reports from the plants have indicated that lambs being presented for slaughter are generally of very good quality. Last week 52 per cent of price reported lambs were awarded a U grade while a further 42 per cent achieved an R grade at point of slaughter.

With strong numbers of lambs coming forward for slaughter the deadweight trade has started to come under some pressure. Base quotes from the major processors ranged from 425-445p/kg for R3 grading lambs up to 21kg towards the end of this week, back from a top of 460p/kg last week. Similar base quotes are expected early next week.

Image 1: There has been a strong increase in lamb throughput in Northern Ireland in recent weeks and buyers are keen to source lambs that meet customer specifications.



FQAS Helpline

If you have had a recent inspection and need help and advice to rectify any non-conformances, contact the FQAS helpline:

Tel: 028 9263 3024

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Factory Quotes & Mart Results

Updated 5pm Daily

Tel: 028 9263 3011

Text Service

Free weekly price quotes sent to your mobile phone

Email - bulletin@lmcni.com

Tel: 028 9263 3000

WEEKLY BEEF & LAMB MARKETS



CATTLE TRADE

NI FACTORY BASE QUOTES FOR CATTLE

(P/KG DW)	This Week 22/06/20	Next Week 29/06/20
Prime		
U-3	346 - 356p	354 - 360p
R-3	340 - 350p	348 - 354p
O+3	334 - 344p	342 - 348p
P+3	284 - 298p	292 - 302p
	Including bonus where applicable	
Cows		
O+3 & better	260 - 280p	260 - 280p
Steakers	140 - 170p	140 - 170p
Blues	120 - 130p	120 - 130p

Cow quotes vary depending on weight and grade.
Pricing policies vary from plant to plant. Producers are advised to check pricing policies before presenting cattle for slaughter.

Deadweight Cattle Trade

Base quotes from the plants for U-3 grading steers and heifers continued to improve and ended this week ranging from 352-360p/kg with the majority of plants quoting towards the upper end of this scale for steers and heifers. The cow trade has held steady with quotes for good quality O+3 grading cows ranging from 260-280p/kg. Similar quotes are expected for all types of cattle early next week.

With supplies of locally produced prime cattle remaining tight prime cattle throughput in local plants last week totalled 6,094 head, a decrease of 639 head from the previous week. In the same week last year prime cattle throughput in NI totalled 6,315 head. Meanwhile a total of 2,367 cows were processed in NI last week, an increase of 272 cows from the previous week. This was the highest weekly cow throughput in NI during 2020 to date.

Imports of cattle for direct slaughter from ROI last week consisted of 530 prime cattle and 255 cows while a further 2 prime cattle and 31 cows were imported from GB. These levels of imports to NI from both regions are similar to the previous week. Exports out of NI for direct slaughter last week continued to operate at very low levels with 12 cows exported to ROI while no cattle made the journey to GB for direct slaughter.

The NI deadweight prime cattle trade strengthened and continues to be influenced by the reduced availability of prime cattle for processing. The average steer price in NI last week was 354.1p/kg, up 5.4p/kg from the previous week. Meanwhile the R3 steer price in NI was up 3.4p/kg to 362.1p/kg. In the same week in 2019 the R3 steer price was 338.8p/kg. The average heifer price in NI last week was 352.6p/kg, up 1.2p/kg from the previous week while the R3 heifer price was up 2.8p/kg to 361.6p/kg. In the same week in 2019 the R3 heifer price was 337.7p/kg. The young bull trade also improved with the average price up by 2.4p/kg to 342.7p/kg with the R3 young bull price up by 2.7p/kg to 354.7p/kg. Last week the O3 cow price in NI reported decline of 1.2p/kg to 284.9p/kg while the average NI cow price improved by a penny to 268.7p/kg.

In GB last week the deadweight trade improved across the majority of cattle grades. The average steer price was up by 2.3p/kg to 360.4p/kg while the average R3 steer price was up by 3.4p/kg to 368.1p/kg. In the same week in 2019 the R3 steer price was 342.2p/kg. The average heifer price in GB last week was up 1.4p/kg to 361.1p/kg while the average R3 heifer price increased by 2.6p/kg to 367.5p/kg. In the same week in 2019 the R3 heifer price was 343p/kg. The O3 cow price in GB increased by 2.4p/kg last week to 281.1p/kg, 3.8p/kg behind the same price in NI.

In ROI last week the deadweight prime cattle trade improved in sterling terms however this was primarily due to a strengthening in the euro against sterling. The R3 steer price increased by the equivalent of 1.8p/kg to 326.5p/kg. Meanwhile the R3 heifer price was up by a penny to the equivalent of 329.6p/kg. The O3 cow price in ROI was up by 2p/kg to 245.7p/kg last week which puts it 39.2p/kg below the same price in NI.

LAST WEEK'S DEADWEIGHT CATTLE PRICES (UK / ROI)

	W/E 20/06/20	Northern Ireland	Rep of Ireland	Scotland	Northern England	Midlands & Wales	Southern England	GB
Steers	U3	364.4	337.6	383.0	367.2	368.7	367.7	373.1
	R3	362.1	326.5	380.9	367.2	363.0	364.8	368.1
	R4	361.5	326.6	382.2	369.4	362.2	363.0	372.8
	O3	352.0	311.7	362.2	345.8	340.6	341.6	344.3
	AVG	354.1	-	377.8	358.4	352.1	353.3	360.4
Heifers	U3	368.9	341.7	389.3	374.4	376.5	373.5	378.3
	R3	361.6	329.6	380.0	368.5	364.8	363.4	367.5
	R4	360.0	329.0	382.7	366.6	365.9	360.9	372.2
	O3	351.4	315.0	357.1	342.4	339.1	340.9	341.5
	AVG	352.6	-	379.5	360.0	353.9	349.5	361.1
Young Bulls	U3	356.4	326.7	381.9	362.1	365.4	369.6	372.6
	R3	354.7	313.8	374.2	356.5	360.5	360.9	364.8
	O3	334.9	296.0	340.4	323.8	334.6	315.5	332.1
	AVG	342.7	-	370.4	349.2	356.6	349.7	358.9
Prime Cattle Price Reported	4,693	-	7,250	7,082	8,481	5,116	27,929	
Cows	O3	284.9	245.7	283.7	281.9	281.2	278.2	281.1
	O4	289.0	246.3	289.6	282.4	281.8	269.0	279.7
	P2	248.4	222.0	243.4	236.7	239.1	238.1	238.6
	P3	268.7	236.1	257.0	257.3	256.8	252.0	255.4
	AVG	268.7	-	283.0	271.1	254.8	248.1	259.4

Notes: (i) Prices are p/kg Sterling-ROI prices converted at 1 euro=89.80p Stg
(ii) Shading indicates a lower price than the previous week.
(iii) AVG is the average of all grades in the category, not just those listed

REPORTED NI CATTLE PRICES - P/KG

W/E 20/06/20	Steers	Heifers	Young Bulls
U3	362.9	367.9	356.1
R3	358.4	360.1	354.4
O+3	352.0	351.5	344.5

*Prices exclude AA, HER and Organic cattle

REPORTED COW PRICES NI - P/KG

W/E 20/06/20	Weight Bands			
	<220kg	220-250kg	250-280kg	>280kg
P1	178.9	193.5	208.6	203.4
P2	198.5	222.7	245.8	260.0
P3	216.2	256.7	266.4	270.3
O3	245.0	277.0	289.7	284.5
O4	-	277.2	288.0	289.2
R3	-	-	-	300.6

LATEST LIVEWEIGHT CATTLE MART PRICES NI

	W/E 20/06/20	1st QUALITY			2nd QUALITY		
		From	To	Avg	From	To	Avg
Finished Cattle (p/kg)							
Steers		222	230	226	190	221	205
Friesians		170	184	177	95	169	132
Heifers		220	224	222	180	219	199
Beef Cows		181	215	198	130	180	155
Dairy Cows		130	139	134	80	129	104
Store Cattle (p/kg)							
Bullocks up to 400kg		201	288	244	144	200	172
Bullocks 400kg - 500kg		211	232	221	135	210	172
Bullocks over 500kg		214	224	219	163	213	188
Heifers up to 450kg		220	266	243	163	219	191
Heifers over 450kg		212	221	216	170	211	190
Dropped Calves (£/head)							
Continental Bulls		445	490	460	230	440	335
Continental Heifers		400	460	430	200	395	295
Friesian Bulls		200	270	235	65	195	130
Holstein Bulls		70	110	90	20	65	40

SHEEP TRADE

NI SHEEP BASE QUOTES

(P/Kg DW)	This Week 22/06/20	Next Week 29/06/20
Lambs up to 21kg	430-440p	425-445p

REPORTED SHEEP PRICES

(P/KG)	W/E 06/06/20	W/E 13/06/20	W/E 20/06/20
NI L/W Lambs	454.6	437.9	418.3
NI D/W Lambs	472.1	472.7	449.7
GB D/W Lambs	491.6	492.7	468.6
ROI D/W	484.9	482.4	465.2

Deadweight Sheep Trade

Quotes from the plants for R3 grade lambs came back early this week to 430-440p/kg with plants paying up to 21kg. Quotes for Monday are expected to range from 425-445p/kg up to 21kg. The plants have reported good supplies of lambs coming forward to meet demand with lamb throughput continuing to increase. A total of 10,515 lambs were processed locally last week the highest weekly throughput during 2020 to date. A further 5,408 lambs were exported from NI to ROI for direct slaughter. Exports to ROI for direct slaughter during the last six weeks totalled 28,954 lambs, up 35 per cent from the 21,438 lambs exported during the same period in 2019. The deadweight lamb price in NI last week was 449.7p/kg, back 23p/kg from the previous week.

Liveweight Sheep Trade

Reports from the marts this week generally indicated a steady trade with similar numbers passing through the sale rings from last week. In Swatragh last Saturday 700 lambs sold from 388-440p/kg compared to 790 lambs the previous week selling from 353-425p/kg. In Kilrea on Monday 365 lambs sold from 411-449p/kg compared to 430 lambs last week selling from 406-433p/kg. On Tuesday in Saintfield a similar trade to last week was reported with 429 lambs selling from 400-460p/kg. In Ballymena this week 1,405 lambs sold from 410-457p/kg (avg 428p/kg) compared to 1,219 lambs last week selling from 400-447p/kg (avg 424p/kg). Top prices for well fleshed cull ewes ranged from £98-£158.

LATEST SHEEP MARTS (P/KG LW)

From: 20/06/20		Lambs			
To: 25/06/20		No	From	To	Avg
Saturday	Omagh	373	407	448	-
	Swatragh	700	388	440	-
Monday	Massereene	758	415	443	-
	Kilrea	365	411	449	-
Tuesday	Saintfield	429	400	460	-
	Rathfriland	600	400	442	428
Wednesday	Ballymena	1405	410	457	428
	Enniskillen	325	410	434	-
	Armoyle	412	420	468	-
	Markethill	800	410	444	-

Strict Covid - 19 restrictions are in place across all of the livestock marts

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